

Washington, DC – Today, Congressman Mike Honda (CA-15), Chair of the Congressional Asian Pacific American Caucus (CAPAC), issued the following statement regarding President Bush's FY2008 budget, which was announced earlier this week:

"The Bush budget ignores the challenges of Asian American and Pacific Islanders (AAPIs) and middle class families that are struggling to achieve financial security. The budget fails to create jobs, creates record deficits, and shortchanges health care, education, veterans' benefits, small businesses, and seniors.

"The President's budget fails to make healthcare affordable for AAPI families. The rate of uninsured in the Asian American community in the United States increased to 17.9% in 2005 from 16.5% in 2004, and 21.8% of Pacific Islanders are currently uninsured. Over 2.3 million AAPIs are without health insurance, and millions more can barely afford to pay their premiums. The Bush budget does nothing to decrease costs, and instead cuts funding for critical programs like Medicare and Medicaid. There would also be a tax increase for millions of middle class Americans, whose employee health benefits would for the first time be subject to income and payroll taxes.

"The Bush budget breaks the promise of a better education for our children. According to the 2000 Census, over 370,000 AAPI children live below the poverty level, that is, 14.3% of Asian American children, and 22.7% of Pacific Islander children. Bush's budget does little to ensure adequate resources for these and other children living in poverty, as it cuts funding for Head Start and critical after-school programs. No Child Left Behind would also remain about \$15 billion below the level promised when the bill was signed into law. Finally, although Pell Grants would be increased, the budget proposes recalling all Perkins Loan funds and eliminating nine other higher education assistance programs, affecting the 37% of Asian Americans and 36.2% of Pacific Islanders who access student loans.

"The Bush budget leaves veterans behind. There are approximately 328,000 veterans of AAPI descent, and 62,378 AAPIs who are currently on active duty in the military. Once again, the Bush budget raises health care costs for hundreds of thousands of veterans, including those returning from Iraq and Afghanistan this year. The budget imposes new co-payments on prescription drugs and enrollment fees that will cost veterans \$4.9 billion over ten years. The budget also increases TRICARE health care premiums for the nation's military retirees.

"The Bush budget fails to support small businesses. With over 220,000 Asian Americans

and Pacific Islanders looking for work, the Bush budget does nothing to create good-paying jobs here at home, and instead provides additional tax cuts for the wealthy. The Census reported 1.1 million small businesses owned by Asian Americans that employed over 2.2 million individuals in the U.S. in 2002. Bush's budget cuts funding for the Small Business Administration (SBA), which disproportionately supports women- and minority-owned small businesses. The proposal eliminates all funding for the Microloan Program and Microloan Technical Assistance and provides no new funding for the Disaster Loan Program. The proposed FY2008 budget for the SBA represents a 45% cut since the beginning of the Bush administration in 2001.

"Jeopardizing the livelihood of AAPI seniors, the Bush budget revives his privatization plan for Social Security. Social Security plays a vital role in the AAPI community, as AAPIs tend to have higher life expectancies than the majority of the population. In 2004, Social Security constituted 90% or more of total income for 31% of elderly married couples and 50% of elderly unmarried persons of AAPI descent. The President's budget reiterates his plan to privatize Social Security by 2012, jeopardizing retirement security for over 785,000 AAPI seniors and other Americans."